

TOWN OF NORTH HEMPSTEAD COMMUNITY DEVELOPMENT AGENCY

**Minutes of
REGULAR MEETING**

June 19, 2012

7:30 PM

Call to Order

Mr. Bailey, Chairman of the Agency, called the meeting to order at 7:42 p.m.

Attendance

Members of the Agency (the “Members”) in attendance were:

Christopher A. Gioia – *absent*

Jeffrey M. Greilsheimer

Lamont R. Bailey –

Howard Weitzman

Rodney A. Caines

Agency staff present consisted of:

Dermot F. Kelly, Executive Director

Joseph Santamaria, Assistant Director/Project Manager

Patrice P. Allen, Administrative Assistant

Andrew M. Hyman, In-house Counsel

Minutes of Meeting Held on April 25, 2012

Upon the motion of Mr. Weitzman, seconded by Mr. Caines, the minutes of the meeting held on April 25, 2012, were accepted with corrections.

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Executive Director's Report

The Executive Director's Report consisted of the following:

Community Development Block Grant ("CDBG") Program

The CDBG 37th Program Year contract has been approved, and been routed to the Nassau County (the "County") Clerk of the Legislature for the official seal. The Agency has been awarded \$871,660.

Operations:

Copies of the Chart of Accounts Balance from the County Office of Community Development ("OCD"), monthly Bank Statements and the Agency's Internal Reconciliation were given to the Members for review.

- The Agency's current Chart of Accounts Balance as per OCD, as of 6/5/12 is \$1,932,585.92.

Cash Balances:

- Citibank –Lump Sum Account - \$409,376
- State Bank of Long Island - Program Income Account - \$289,522
- Citibank –Escrow Account - \$7,059

New Cassel Urban Renewal Plan

Site A - Bluestone Master Plan, assisting with zoning and architectural design for marketing vacant retail space for prospective tenants is completed. The Small Business Development Center in Farmingdale has a program funded by the state to assist with grants and individual marketing. John Stimos from the Small Business Development Center and Mr. Kelly met with the merchants in Site A to inform them of programs. Paradise Cove Restaurant received the zoning approval for food use, and is in the process of completing their build out. They have inquired about possibly submitting an application to CDA for an Economic Development loan for inventory and working capital. The restaurant is scheduled to open in July

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Site B– Tony & Eddie have commenced construction and expect to complete their build out by July, 2012.

Site C - No change in this site's status.

Site D - NO CHANGE -This site is still in a work out with The Bank of New York Mellon ("BONYM"). Eric Reuben, BONYM's Attorney responded on April 11th to several letters sent by the Agency's outside counsel Mark Cuthbertson sent him. Mr. Reuben states that the Bank recently paid approximately \$301,000 in past due real estate taxes and is still assessing the current condition of the property and estimates of the cost to complete the necessary improvements to the building.

Site E – On April 3rd the site plan was approved by Town Hall and the plans are being submitted to the Building Department next week for approval. Conifer anticipates getting an approval in July. Conifer is seeking construction-financing replacement for Chase Bank due to investments coming from the state is frozen. Construction should commence in August 2012.

Site H – All of the Commercial units have been purchased and have owner operated businesses residing in them. Of the seven two family residential condominiums five have been sold, one is under contract and is scheduled to close on June 15th and one has a potential purchaser that has applied to Banco Popular for mortgage financing. The owner of Worthy Sneaker Store is interested in obtaining space at Site B

Site I – The Agency issued an RFP on February 29, 2012 to construct ten (10) townhouses on the property and a roadway connecting Rose Place and Sohmer Place. The responses to the RFP were due on May 23rd to give the proposers time to review the asbestos survey and a few more days to complete their proposal packages. May 23rd the Agency did not receive any submissions for the RFP. Based on feedback from the registrants and in an effort to make the project more marketable the Agency will re-issue a RFP the first week of June, increasing the density from 10 to up to 12 units and reducing the minimum proposed purchase price to \$100,000.

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Site M –The Agency has completed the appraisals on both properties (983 & 985 Prospect). The owners of the properties affirm their amounts are valued much higher than the Agency's appraised amount. Standard Valuation Services ("SVS") reviewed the appraisals for the Agency and determined that the appraisal valuing the property located at 985 Prospect completed by Haberman Associates, Inc. ("Haberman") for the Agency was accurate although they valued the land at less and gave the building value. The property owner did not send the Agency a copy of the Appraisal completed by JDP Posillico Appraisal and Real Estate, Inc. ("JDP") and therefore it was not reviewed by SVS. The ("Haberman") appraisal completed for the Agency valued the 983 Prospect properties at \$500,000. A review of the 983 Prospect Avenue ("Haberman") appraisal by ("SVS") determined an increase in value of \$60,000 based on current sales data. The appraisal completed by ("JDP") for the property owners valued the property at \$1,150,000. The review of the ("JDP") appraisal by ("SVS") determined that it was "prepared by an unlicensed appraisal, poorly documented, in many areas in violation of USPAP, based upon old data, improper or unsupported valuation procedures, and grossly overstates the market value of the subject property". The Agency is waiting on a HUD determination as to whether or not the Agency can condemn commercial property for a mixed-use or commercial use.

Community Center: The project is scheduled to be completed in the summer of 2012.

Upon the motion of Mr. Greilsheimer, duly seconded by the Board, the Executive Director's Report, to the extent of the Members' knowledge of the events referred to, was accepted and approved unanimously.

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For Consideration

RESOLUTION NO. 19 (2012)

**A RESOLUTION AUTHORIZING ADDITIONAL FINANCIAL ASSISTANCE
TO JOSEPH AND DIANE CERIELLO, 33 BURNHAM AVENUE, ROSLYN
HEIGHTS, NEW YORK.**

WHEREAS, pursuant to Resolution No. 13 (2012), duly adopted at its meeting held on June 19, 2012 (the “Original Resolution”), the members of the Town of North Hempstead Community Development Agency (the “Agency”) authorized a Home Rehabilitation Program mortgage loan of \$7,622 (the “Mortgage Loan”) to Joseph and Diane Ceriello (the “Owner”), residing at 33 Burnham Avenue, Roslyn Heights, New York 11577, identified on the Nassau County Land and Tax Map as Section 7, Block 243, Lot 878 (the “Premises”), for the emergency replacement of a deteriorated roof and related work (the “Project”); and

WHEREAS, the Mortgage Loan amount was based upon a bid made by Robert Larson, doing business as the Village Roofer; and

WHEREAS, due to an injury, Mr. Larson has declined to accept the Project; and

WHEREAS, King Quality Construction has been selected to replace Mr. Larson in undertaking and completing the Project for \$9,792, or \$2,130 more than Mr. Larson had bid for the Project; and

WHEREAS, Agency staff has recommended that the Agency make an additional unsecured loan in the maximum amount of \$2,130 to carry out the Project, which loan will become a grant if, within 5 years, the Owner does not sell or rent the Premises, relocate from the Premises, or become deceased (the “Conditional Grant”).

NOW, THEREFORE, BE IT

RESOLVED, that based upon the foregoing, the Members hereby authorize the making of the Conditional Grant for the undertaking and completion of the Project; and it is further

RESOLVED, that the Executive Director of the Agency and any officer thereof are hereby authorized to execute such instruments and documents and to take such other

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action as may be necessary to carry out the foregoing; and it is further

RESOLVED, except as herein modified, the Original Resolution remains unchanged and in full force and effect.

Upon the motion of Mr. Bailey, seconded by Mr., Greilsheimer the resolution was unanimously adopted.

Adjournment

Upon a motion by Mr. Caines, the members of the Agency, by unanimous vote, adjourned the meeting at 8:15 p.m.